September 17, 1997

Joel Solomon
1910 21st. Ave. South
Nashville, TN 37212

Dear Mr. Solomon,

By all accounts, the new issue of *Whole Earth* is a success. Readers consistently tell us the magazine offers more content per page than most other magazines, and that this issue is better than any they've read in years. Our challenge remains how to continue to deliver the depth and quantity of material our subscribers are used to, while modifying our costs so that the magazine evolves into a financially sound business.

Endswell has been very generous in supporting efforts to re-launch *Whole Earth*. Without belaboring the point, Point Foundation has clearly not followed the payment schedule originally agreed to by both parties. You and the principals at Endswell have being very patient in this regard. In all honesty, *Whole Earth* is still struggling to develop a viable plan that ensures the magazine a future.

As a quarterly non-profit magazine with a circulation of roughly 30,000, *Whole Earth* will always face the challenge of having to fundraise, on an annual basis, the equivalent of 20% of its operating costs. This scenario is common to most other non-profit magazines being published today. Although we are confident of our editorial strategy, our great challenge in the coming months will be to secure commitments from a handful of potential donors — foundations and individuals — to support *Whole Earth* on an ongoing basis.

The business will not begin to realize revenue from this first issue until the end of October. The first issue, as you may already know, was already paid for by subscribers before the magazine suspended publication in March 1996. Not until January 1998 will the magazine enter a business cycle that is regular and predictable.

Everyone involved with *Whole Earth* is working hard to produce a meaningful and sustainable magazine. I want you to know that at anytime I am available to discuss the state of the business.

Again, thank you for your continued support of *Whole Earth*.

Sincerely,

Alexander Gault
Publisher

August 14, 1997

Joel Solomon
1912 21st Avenue, South
Nashville, TN 37212

Dear Mr. Solomon,

After much planning and hard work, the first issue of the new *Whole Earth* is now available. On behalf of the entire *Whole Earth* staff and the Point Foundation board of trustees, I thank you and Endswell for your generous support. Without it, the relaunch of the magazine would not likely have been possible.

You will note that the current issue is distinct editorially and aesthetically from the *Whole Earth Review*. Editor Peter Warshall's vision is unique and important, and I believe that Whole Earth will challenge and delight our readers as have, over the years, *Whole Earth Review*, *Whole Earth Catalog* and *CoEvolution Quarterly*.

I hope that you find the magazine compelling and worthy of continual support. Please share with Peter or myself any thoughts you have about the current issue. If you wish to receive more copies, let me know and I will send them along.

Kind regards,

Alexander Gault
Publisher

August 14, 1997

Norine MacDonald
Endswell
c/o Bull, Houser & Tupper
1055 West Georgia Street, Suite 3000
Vancouver, BC V6E 3R3

Dear Ms. MacDonald,

After much planning and hard work, the first issue of the new *Whole Earth* is now available. On behalf of the entire *Whole Earth* staff and the Point Foundation board of trustees, I thank you and Endswell for your generous support. Without it, the relaunch of the magazine would not likely have been possible.

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Kind regards,

Alexander Gault
Publisher

1408 Mission Avenue
San Rafael, California
94901

Whole Earth
MAGAZINE

May 16, 1997

Joel Solomon
Joel Solomon Company
Fax: 615.297.5565

Dear Mr. Solomon,

David Katz requested that I fax you our current 1997 budget. Thank you for your patience and support of Whole Earth's re-launch. The first issue is due mid-June.

If you ever have any questions or concerns about the magazine, please don't hesitate to call me.

Yours,

Alex Gault

Alexander H. Gault
Publisher

1408 Mission Avenue San Rafael California 94901 415.256.2800 Fax: 415.256.2808

TEL: 415 256 2800
FAX: 415 256 2808
e-mail: wer@well.com

Whole Earth

May 16, 1997

Norine MacDonald
Endswell Foundation
Fax: 615.297.5565

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1408 Mission Avenue San Rafael California 94901 415.256.2800 Fax: 415.256.2808

Whole Earth — P&L Budget YE 1997

5/1/97

	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
REVENUE													
Circulation													
Subscriptions	35	403	1,147	500	0	0	0	0	0	0	0	0	2,085
Renewals	0	0	0	0	1,900	29,100	27,800	36,700	7,900	19,600	19,000	12,000	154,000
New	200	200	200	200	200	4,000	6,000	8,000	12,000	11,000	8,000	10,000	60,000
Newsstand	0	0	0	0	0	0	0	7,500	7,500	0	10,000	10,000	35,000
List Rental	1,733	335	2,037	500	600	500	500	500	500	600	600	600	9,005
Back Issues	656	172	100	582	265	150	150	150	200	200	200	200	3,025
Single Copy		50	50	50	50	50	50	50	50	50	50	50	550
Subtotal	2,624	1,160	3,534	1,832	3,015	33,800	34,500	52,900	28,150	31,450	37,850	32,850	263,665
Advertising													
Space Advertising	0	0	0	0	0	0	3,000	3,000	6,000	1,000	5,000	11,000	29,000
Classified	0	0	0	0	0	250	250	250	250	250	250	250	1,750
Subtotal	0	0	0	0	0	250	3,250	3,250	6,250	1,250	5,250	11,250	30,750
Development													
Donations	1,940	45	200	0	0	0	0	0	0	0	0	0	2,185
Grants	0	75,000	73,000	0	0	0	15,000	0	0	15,000	25,000	30,000	233,000
Editorial Fund	4,000	0	0	5,000	0	0	0	0	0	0	0	0	9,000
Subtotal	5,940	75,045	73,200	5,000	0	0	15,000	0	0	15,000	25,000	30,000	244,185
Ancillary													
MWEC Sales	1,005	665	968	600	400	300	300	300	300	300	300	300	5,738
Postage	210	210	35	100	100	100	100	100	100	100	100	100	1,355
Miscellaneous & Refunds	259	163	30	30	30	30	30	30	30	30	30	30	722
Interest & Dividends	263	642	458	442	442	342	342	342	200	204	200	83	3,959
Subtotal	1,737	1,680	1,491	1,172	972	772	772	772	630	634	630	513	11,774
TOTAL INCOME	**10,301**	**77,885**	**78,225**	**8,004**	**3,987**	**34,822**	**53,522**	**56,922**	**35,030**	**48,334**	**68,730**	**74,613**	**550,374**
EXPENSES													
Editorial													
Salary - Editor	3,250	3,000	3,000	3,000	3,000	3,000	3,333	3,333	3,333	3,333	3,333	3,333	38,250
Salary - Managing Editor	3,000	3,000	3,000	3,000	3,000	3,000	3,333	3,333	3,333	3,333	3,333	3,333	38,000
Salary - Assistant Editor	833	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	19,167
Salary - Assistant Editor	938	625	625	625	625	625	625	625	625	625	625	625	7,813
Travel & Entertainment	0	0	0	0	200	200	200	200	200	200	200	200	1,600
Manuscript Fees	0	0	0	0	3,500	0	0	3,500	0	0	3,500	0	10,500
Art & Photo fees	0	0	0	0	500	0	0	500	0	0	500	0	1,500
Dues & Subscriptions	0	36	0	100	100	100	100	100	100	100	100	100	936
Subtotal	8,021	8,328	8,292	8,392	12,592	8,592	9,258	13,258	9,258	9,258	13,258	9,258	117,765

	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Production													
Salary - Designer	0	0	1,200	4,300	0	0	2,866	1,433	0	2,866	1,433	0	14,098
Production Assistant	0	0	0	2,000	0	0	1,333	666	0	1,333	666	0	5,998
Magazine design	0	0	0	0	5,000	0	0	0	0	0	0	0	5,000
Production Services	0	0	0	0	500	0	0	500	0	0	500	0	1,500
Cover	0	0	0	0	1,000	0	0	1,000	0	0	1,000	0	3,000
Subtotal	0	0	1,200	6,300	6,500	0	4,199	3,599	0	4,199	3,599	0	29,596
Manufacturing													
Printing	0	239	0	0	25,000	0	0	25,000	0	0	12,500	0	62,739
Mail Services	0	0	0	0	0	800	0	0	800	0	0	800	2,400
Packing	0	0	0	0	0	500	0	0	500	0	0	500	1,500
Subtotal	0	239	0	0	25,000	1,300	0	25,000	1,300	0	12,500	1,300	66,639
Circulation													
Salary	500	500	1,500	1,500	1,500	1,500	1,750	1,750	1,750	1,750	1,750	1,750	17,500
Subscription postage	0	0	200	200	200	4,500	400	400	4,500	400	400	4,500	15,700
Subscription freight	0	0	0	0	0	583	0	0	583	0	0	583	1,749
Handling Charges	0	0	0	0	0	251	0	0	251	0	0	251	753
Fulfillment	75	0	0	200	1,000	2,400	1,500	1,500	2,400	1,500	1,500	2,400	14,475
Newsstand freight	0	0	0	0	0	4,000	200	200	4,000	200	200	4,000	12,800
Newsstand promotions	0	0	0	0	0	200	0	0	700	0	0	700	1,600
List Rental Expenses	0	0	0	144	150	150	138	138	138	138	138	138	1,272
Refunds	0	32	30	30	30	30	30	30	30	30	30	30	332
Back Issue Costs	214	178	178	150	150	200	200	250	250	250	250	250	2,520
Subtotal	789	709	1,908	2,224	3,030	13,814	4,218	4,268	14,602	4,268	4,268	14,602	68,700
Subscription Development	96	0	0	0	15,000	0	0	20,000	30,000	0	15,000	0	80,096
Advertising													
Expenses/staffing	0	0	0	0	2,000	500	500	500	500	500	500	1,000	6,000
Commissions	0	0	0	0	0	0	0	2,000	0	0		2,000	4,000
Subtotal	0	0	0	0	2,000	500	500	2,500	500	500	500	3,000	10,000
Development													
Fundraising Expenses	203	2,200	200	700	600	200	200	200	200	200	200	600	5,703
Fundraising Staff Support	0	800	800	1,300	2,000	2,000	2,000	2,000	2,000	2,000	800	800	16,500
Travel & Entertainment	0	0	0	3,200	0	0	0	0	0	0	0	0	3,200
Subtotal	203	3,000	1,000	5,200	2,600	2,200	2,200	2,200	2,200	2,200	1,000	1,400	25,403
Administrative													
Salary - Publisher	0	1,500	3,000	3,000	3,000	3,000	3,333	3,333	3,333	3,333	3,333	3,333	33,498
Salary - Office Manager	740	0	833	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	16,576
Bookkeeping	255	250	250	500	250	250	500	500	500	500	250	250	4,255
Accounting & Legal	556	90	750	260	0	0	0	0	0	0	0	0	1,656

	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Consulting	0	0	0	0	0	1,000	1,000	0	0	1,000	1,000	1,000	5,000
Travel & Entertainment	0	0	0	0	0	200	200	200	300	200	300	200	1,600
Bank & credit card fees	53	200	200	200	200	200	200	200	200	200	200	200	2,253
Sales Tax	189	0	0	0	0	0	0	0	0	0	0	0	189
Dues & Fees	(96)	50	50	50	172	18	18	18	18	18	18	18	352
Container Rental	900	0	0	600	0	0	600	0	0	600	0	0	2,700
Rent	758	1,225	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	16,283
Telephone	2,200	400	400	400	350	350	350	350	350	350	350	350	6,200
Long Distance	214	500	600	600	500	500	500	500	500	500	500	500	5,914
Internet Installation & Fees	25	25	25	25	300	150	150	150	150	150	150	150	1,450
Postage/Shipping	332	68	99	315	250	250	250	250	250	250	250	250	2,814
MWEC Shipping & Purchase	209	755	262	359	100	100	100	100	100	100	100	100	2,385
Supplies	138	29	413	627	250	250	250	250	250	250	250	250	3,207
Equipment Purchase	229	117	0	3,300	1,000	125	125	125	125	125	125	125	5,521
Equipment Rental	151	75	75	215	50	50	50	50	50	50	50	50	916
Repair/Maintenance	7	50	50	500	1,300	50	50	50	50	50	50	50	2,257
Miscellaneous	41	150	50	50	50	50	50	50	50	50	50	50	691
Health Ins.	357	357	357	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	10,791
Payroll Taxes & Fees	1,987	1,300	1,550	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	21,037
State Comp Insurance	0	0	425	0	0	550	0	0	550	0	0	550	2,075
Staff Moving Expenses	0	1,000	0	0	0	0	0	0	0	0	0	0	1,000
Advertising/Job Searches	75	325	0	0	0	0	0	0	0	0	0	0	400
Subtotal	9,320	8,466	10,819	16,978	13,749	13,070	13,703	12,103	12,753	13,703	12,953	13,403	151,020
Debt Service	18,000	15,000	0	0	22,500	0	2,250	0	2,250	0	3,750	4,500	68,250
TOTAL EXPENSES	**36,429**	**35,742**	**23,219**	**39,094**	**102,971**	**39,476**	**36,328**	**82,928**	**72,863**	**34,128**	**66,828**	**47,463**	**617,470**
OPERATING INCOME	**(26,127)**	**42,142**	**55,007**	**(31,090)**	**(98,984)**	**(4,654)**	**17,193**	**(26,007)**	**(37,833)**	**14,206**	**1,902**	**27,150**	**(67,096)**
CUMULATIVE INCOME	138,468	112,341	154,483	209,490	178,400	79,416	74,762	91,955	65,948	28,115	42,321	44,222	
CASH BALANCE	112,341	154,483	209,490	178,400	79,416	74,762	91,955	65,948	28,115	42,321	44,222	71,372	
ASSUMPTIONS													
Advertising income/page	1,000												
Income/new sub	20												
Income/renewal	22												